Release



ML 4750

Formerly

No. 367

Reg. ackay Vol. 89

Fol 88

Mining Act 1968-1976 (Reg. 62)

MINING LEASE

Mining District:

ackay

County:

Wodehouse

Parish:

Elphinstone, Hyne and Kemmis

Area:

113.9 km<sup>2</sup>

Date of Lease:

ELIZABETH THE SECOND, by the Grace of God, Queen of Australia, and Her other Realms and Territories, Head of the Commonwealth.

To All to whom these Presents shall come, Greeting:

Whereas in conformity with the provisions of Acts of Parliament of Our State of Queensland called the Mining Act 1968-1976 and the Petroleum Act 1923-1976

THIESS PEABODY NITSUI COAL FTY. LTD.

of Our said State made application to Us for a Lease of the cown and Reserve in Our said State described in the Second Schedule hereinafter written for the purpose of mining for coal

AND WHEREAS We have consented to grant a Lease of the said land for the purposes aforesaid for the term hereinafter mentioned at the yearly rent of Twenty eight thousand one hundred and forty

and under and subject to the covenants and conditions hereinafter mentioned and to the terms conditions exceptions reservations and provisoes in the said Acts and the Regulations made thereunder and in any other Acts affecting such covenants terms and conditions exceptions reservations and provisoes: Now Know YE that in consideration of the premises and of the sum of Eleven thousand seven hundred and twenty-seven dollars and fift; comes

paid to the Treasurer for the time being of Our said State before the issue hereof as and for the rent of the said Land to the Thirty-first day of December 1978 AND ALSO in consideration of the Yearly Rent covenants provisoes and agreements hereinafter reserved and contained on the part of the said

THIESS PEABODY MITSUI COAL PTY. TIED.

observed and performed We Do Hereby for Us Our Heirs and Successors demise and lease unto the said THIESS PEABODY WITSUI COAL PTY. LTD.

all that parcel of Crown and Reserve

Mining District and particularly described in the Second Schedule hereinafter written for the purpose aforesaid saving reserving and excepting always unto Us Our Heirs and Successors and unto the Minister for liberty at all times during the continuance of this demise to enter into and upon the Land hereby demised and all Mines and Works therein or thereon in order to view and examine the condition thereof and for that purpose to make use of all or any railways tramways or roads or every and all machinery upon the said Land or belonging to the said Mines and also to use or make any levels drifts or passages requisite for the purpose of any such inspection To HAVE AND TO HOLD the said Land and Mines and all and singular other the premises hereinbefore mentioned and hereby demised with the appurtenances unto the Lessee, be renewable for further periods if not exceeding Twenty-one years on the same terms as may be in force with Successors all petroleum found in the Land Herein demised YIELDING AND PAYING unto Us Our Heirs and Successors in each and every year during the continuance of this Lease in advance prior to the First day of January into the hands of Our Treasurer for the time being at the Treasury in Brisbane in Our said State the Yearly Rent or Sum of Twenty-eight thousand one hundred and forty-six dollars.

Form No. 24

'66/1/79—1M.

And We Do Hereby Also Reserve unto Us Our Heirs and Successors and to such persons as shall from time to time be duly authorised by Us in that behalf during the term of the said Lease the free right and privilege of access including ingress egress and regress into upon over and out of the said Land for the purpose of searching for and for the operations of obtaining petroleum in any part of the said Land Provided Always That these Presents are granted upon the following covenants that is to say—

#### The Lessee shall:

- (i) pay the rental hereby reserved;
- (ii) use the said Land continuously and bona fide for the purpose for which it is demised and in accordance with the said Acts;
- (iii) continuously and bona fide work the said land by carrying on mining operations thereon for the purpose for which it is hereby demised with reasonable diligence and skill;
- (iv) perform, subject to any exemption or partial exemption therefrom under the Mining Act 1968-1976 the labour conditions in accordance with the provisions of that Act;
- (v) perform such work as determined by the Governor in Council to be a Condition hereinafter expressed;
- (vi) not assign, transfer, sublet or part with possession of the land demised, or any part thereof, except with the consent of the Minister first had and obtained;
- (vii) furnish as prescribed all prescribed returns;
- (viii) rehabilitate and resoil the surface of the land demised by the restoration of such surface, as nearly as may be to its state and condition prior to the commencement of mining operations or to such other state or condition as has been determined by the Governor in Council;
- (ix) not obstruct or interfere with any right of access which exists or at any time comes into existence in respect of the mining tenement that is subject to the mining lease for so long as such right is exercised;
- (x) conduct mining on the tenement by such method or in such manner as having been determined by the Governor in Council, is provided for in the lease;

And Provided Further That these Presents are granted upon the following conditions that is to say—
If the lessee commits a breach of any of the covenants in this lease on the part of the lessee, to be observed and performed the Minister may, subject to the provisions of the Mining Act 1968-1976 either forfeit such lease or impose on the lessee a penalty not exceeding two thousand dollars and in default of payment of such penalty by the lessee within the time specified the Minister may forfeit such lease;

Minister may forfeit such lease;

And Also shall permit and suffer all or any person or persons appointed by the Minister for Mines for the time being of Our said State in that behalf and the Warden of the Mining District for the time being within which the Lands hereby demised are situate at all proper and reasonable times during the continuance of this demise and whether the Mines are working or not without any interruption or disturbance from the Lessee his agents servants or workmen or any of them to enter into and upon the said land Mines and all works and buildings connected therewith or any part thereof to view and examine condition thereof and whether the said Mine or Mines is or are worked bona fide for the purposes aforesaid and for that purpose to use all and every the tramways railways poads or ways and all or any of the machinery and works in and upon the said Land And Also shall observe such further special conditions as are particularly described in the First Schedule hereinafter written And these Presents are upon this further condition that for any breach of any of the covenants herein contained the Minister may either forfeit the Lease or in his discretion impose upon the Lessee a fine not exceeding two thousand dollars and on non-payment of any such fine may forfeit the Lease And upon any forfeiture of this Lease or in case the term hereby granted shall have expired possession of the Lands hereby demised shall and may be taken on Our behalf in the manner prescribed by Section 40 of the Mining Act 1968–1976 And Also upon any forfeiture or other determination of the said Lease so much of all the mining plant machinery equipment and other improvements whatsoever in or upon the said Land vested in Us under Section 41 of the Mining Act 1968–1976 consisting of the plant machinery equipment or other removable improvements then in or upon the said Land excepting covering fencing casing lining timbering ladders platforms stacked earth or other material or other improvements required to keep open and p

### FIRST SCHEDULE

### SPECIAL CONDITIONS

Subject to the covenants and conditions applying to all I ining Leases, except where varied by and subject to the respective special covenants specified in Part I of the accompanying Schedule and subject to the special conditions specified in Part II of the accompanying schedule.



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## SCHEDULE

## PART I - SPECIAL COVENANTS

The Lease contain a covenant to continuously carry out in or on the Lease and/or in or on lands held by the Lessee as Mining Leases Nos. 152, 260 and 261, Clermont Mining District and Mining Leases Nos. 366, 363 and 370, Mackay Mining District and Situated in the same locality of the State, the mining and winning and/or treatment of coal, on a scale so that not less than three hundred and eighty thousand dollars (\$380,000.00) shall be expended each and every year on such mining and winning and/or treatment during the first three (3) years of the term of the Lease and not less than seven hundred and sixty thousand dollars (\$760,000.00) shall be expended each and every year on such mining and winning and/or treatment during the remainder of the term of the Lease, and pursuant to the provisions of Section 30 (4) of the Mining Act 1968-1976, such expenditure shall be considered to be sufficient compliance with the provisions of Section 30 (2A) and (2B) of the Mining Act 1968-1976.

# PART II - SPECIAL CONDITIONS

- 1. Where in these special conditions the term "lease areas" is used it shall be read and construed as meaning "land held by the I essee as having Leases Nos. 152, 260 and 261, Clermont I iming District and Mining Leases Nos. 366, 367 and 368 and 370, Mackay Nining District".
- 2. Where in these special conditions the term "approved" is used it shall be read and construed as meaning "approved by the Minister in writing".
- The following special conditions shall be complied with by the Lessee unless varied by the Governor in Council pursuant to Section 32A of the Lining Act 1968-1976. Then the Lessee shall comply with these special conditions as so varied.
- For so long as the Lessee complies with the conditions, the Lessee may mine and export from this State up to the following quantities of coal from the recoverable reserves of coal in the whole of the lease areas, or any part thereof:-

Coking coal

175,000,000 tonnes

Non-coking coal

135,000,000 tonnes

For the purposes of this clause, coking coal shall be defined as coal which meets all the following quality criteria.

Ash content

11% maximum

Crucible swelling number

4 minimum

Sulphur content

0.85% maximum

Phosphorus content

0.1% maximum

The Lessoe range not mine good the lease areas or any and thereof and export more than such quantity of roal nor mine them the said by se areas and for any other purpose unless to authorised bothe Governance Council and order in Council and bished in the flower ment Gascute.

The lessee shall by a date not later than three (3) years after the date of first export of coal from the lease areas install all such machinery and other works as are necessary for the Lessee to produce and despatch for transportation from the lease areas not less than three million (3,000,000) tonnes of coal annually.

6. Should the Minister so require by giving at least one (1) year's notice thereof in writing to the Lessee, the Lessee shall deliver coal other than that permitted for export to the Minister for the use as he may determine.

If the Minister so requires, he shall inform the Lessee in writing that the Lessee shall stockpile such coal on the lease areas in suitable manner and at suitable places, or otherwise as agreed between the Lessee and the Minister.

The State shall pay the Lessee a mutually agreed price for the coal which price will include all costs of extracting, stockpiling, maintaining any such stockpiles, beneficiation and delivering such coal to the State, taking into account any capital costs incurred for the production, stockpiling and delivering of such coal (including interest during construction) together with a reasonable rate of return on funds expended.

The State shall pay to the Lessee at regular three monthly intervals all the aforementioned costs and charges incurred by or owing to the Lessee in so organising, extracting and delivering to stockpile such coal which payments will be deemed to commence from the date of issue of the Minister's request to deliver such coal.

Upon the Lessee notifying the Minister in writing of coal available in stockpile the State shall upon being satisfied accept delivery of such coal and following acceptance, shall assume responsibility for the maintenance of such coal, and shall be obligated to make such during payments to the Lessee for subsequent maintenance and operation of the stockpiles.

The Lessee shall notify the Minister in writing of the availability of initial tonage and the amount, and also changes of tonnage of coal in stockpile and available for delivery at intervals not acceeding three months. The Minister may require the Lessee to continue maintaining coal so stockpiled.

Loss of stockpiled coal not due to the negligence of the Lessee shall be at the risk of the State.

Nothing in this Clause shall prevent the State and the Lessee from entering into a contract for the sleply of coal hereunder on terms and conditions differing from those specified in this Clause.

7. If the Minister so notifies the Lessee in writing the Lessee shall make available to the State, washery reject coal and other coal discarded during beneficiation or any portion thereof for use in State power stations.

Following such notification the Lessee shall place such reject coal as has an ash content of less than forty-five per centum (45%) into a suitable stockpile on lease areas as agreed between the hinister and the Lessee.

Upon the Lessee notifying the himister in writing of coal available from the stockpile, the State shall upon being ratisfied, accept delivery of such coal and following acceptance, shall assume all responsibilities for the maintenance of such coal so stockpiled and shall pay to the Lessee all costs in so stockpiling the coal and of undintaining any such stockpile less the cost that would have been incurred in sending such reject coal to waste.

The inister may require the Lessee to continue maintaining coal so stockpiled. Upon such written notification, the State will pay the Lessee at regular three-monthly intervals all costs incurred by the Lessee in so maintaining such coal. Loss of stockpile coal not due to the negligence of the Lessee will be at the risk of the State. Nothing in this Clause shall prevent the State and the Lessee from entering into a contract for the supply of coal hereunder on terms and conditions differing from those specified in this Clause.

The State shall have the right to carry out investigations including drilling on the lease areas to ascertain the nature and extent of the mineral and other resources of the lands comprised therein including coal PROVIDED THAT such investigations shall be conducted in a manner which does not interfere with the operations of the Leasee and PROVIDED FURTHER that the State shall give the Lessee not less than sixty (60) days prior written notice of its intention to carry out such investigations.

- 9. The Lessee shall conduct all operations on the lease areas in accordance with good mining practices as practised in Queensland for the time being and shall not damage more than is reasonably necessary the State's resources, including petroleum, coal, other minerals, flora and fauna.
- 10. (a) Water sources including streams, watercourses, wells, springs and water tables shall not be interfered within the vicinity thereof except in accordance with terms approved by the Irrigation and Water Supply Commission.
  - (b) The Lessee shall not interfere with any right of way for the purpose of moving stock, and for other purposes, reserved by the Minister when he granted such possession, except in accordance with a plan approved either by the Minister or the Governor in Council.
- fine Lessee shall ensure that dust control procedures are adopted during mining, treatment, loading and transportation of coal to minimise any effect on the environment.
- Storage and use of explosives within the lease areas shall be carried out in accordance with established good wining practice and the appropriate statutory regulations obtaining from time to time.
- All approved surface areas shall be fenced so as to restrict entry of stock, provided that it shall not be necessary to fence such surface areas as are to be used for the location of roadways, power transmission lines, or water pipelines. Such fencing shall be to a standard generally accepted for such purpose in the area.
- In respect of open cut mining
  - (a) Overburden is to be backfilled progressively as coal is extracted and vegetation is to be re-established progressively on all of the area mined other than that utilised for haul roads and other services.
  - All dry land areas affected by mining operations are to be contoured to blend in with the natural landscape and planted with grasses and trees suited to the climate. In so doing, the Lessee shall consider competent advice as to what steps are reasonably practicable to promote regeneration of vegetation.
  - (b) Unless otherwise directed by the Minister and/or his officers all strata and other residues other than coal residues are to be returned to the excavations made, or deposited on such sites and in such form as may be approved by the Minister.

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Where mining of the seam has been completed and backfilling of that area is in progress, as required in Clause 14 (a) hereof the exposed coal seam shall be effectually covered with inert material which material may include water, soil, rock and similar substances to prevent fire hazard. Treatment of the excavations, batters, depressions and the provision of drainage and associated activities shall be carried out to the satisfaction of the Minister and/or his officers.

## 15. In respect of underground mining

- (a) The Lessee shall take steps to ensure that persons responsible for the design of underground mining operations and those engaged in the management of an underground mine within these lease areas are in possession of all information on disused mine workings, the occurrence of flammade and noxious gas, rock or strata containing water, moss, peat, sand, gravel, silt or any other material likely to flow when wet.
- (b) Mining beneath and within a 35 degree angle of lines of surface features including watercourses, rock, railways, pipelines, power transmission towers and other structures shall be carried out in accordance with a plan submitted to and approved by the Minister.
- 16. Nothing in these covenants shall be reader interpreted to detract from the general provisions of the Coal Mining Act or the Mining Act.
- 17. Where a bond is deposited with the Minister as security required pursuant to Section 29 (1) of the Mining Act 1908-1976, the Lessee, his executors, administrators and assigns shall maintain the bond in existence throughout the duration of the lease and shall lodge with the Minister evidence of the last renewal of the bond within one (1) month after each renewal thereof.
- 18. The covenants of each of these Leases regarding expenditure on works and operations shall not apply, if and to the extent that the Lessee is prevented from performing them by circumstances beyond its control, including Act of God, floods, storms, tempest, war, riots, civil commotion, strikes, lockouts, shortages of labour, transport, power or essential materials, breakdown of plant or machinery over or in respect of which the Lessee has no control.

### SECOND SCHEDULE

Name of Mining Lease:

"Kemmis Walker"

Surface Area:

Nil

Description by survey of the land demised as shown on the diagram and plan Catalogue Number 40216 Sheets held at the Department of Mines, Brisbane 1 and 2

Subject to Section 44 of the Act.

PATILOT PETERSE DIMPRIM

IN TESTIMONY WHEREOF, We have caused this Our Lease to be Sealed with the Seai of Our said State.

WITNESS Our Trusty and Well-beloved His Excellency Commodore SIR JAMES MAXWELL RAMSAY, Knight Commander of the Most Distinguished Order of Saint Michael and Saint George, Commander of the Most Excellent Order of the British Empire; upon whom has been conferred the Decoration of the Distinguished Service Cross, and Commodore in the Royal Australian Navy (Retired), Governor in and over the State of Queensland and its Dependencies in the Commonwealth of Australia, at Government House, Brisbane, in Queensland, aforesaid, this

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Our Reign, and in the year of Our Lord one thousand nine 0 4,25

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in the Same

### **ENDORSEMENTS**

Pursuant to the provisions of Section 200 of the Mineral Resources Act, 1989 the Honoural application the 7th day of Arg of 1993 approved the addition of the mineral Hydrocarpon to the within lease.

for Minister

his is to Centify that the Governor in Council or 7. 9. 80 applicated that the last paragraph of redition of special Cornditions be sailed a read:—

"The Ressee may not mine from the ase areas or any part thereof and export more pan such quality of coal nor mine from the is lease areas and for any other purpose tess duly authorised in that behalf by the spernor in Council."

Total at Brisbane this. Twelfth ay of . Italy.

(Sqd) C. H. Stanley. Dept of Mires

Pursuant to the provisions of Section 294 of the Mineral Resources Act, 1989 the Governor in 3 110 on the 15th. day of August 12 15 proved that the special contact the within lease is only a 10 following Special available.

Detaction of green is invitrocarbons shall not be undertained without an appropriate Drainage. Plant approved by the Department of kines and Energy which shall address details of the method of extraction, storage, disposal or use as appropriate to the operation.

for Minister

coal Pty Ltd

coal Pty Ltd

coal Richard Reserved the name of the Coal Richard Reserved the name of the Coal Richard Reserved the Coal Richard Reserved to BHP MITSUI

coal Pty Ltd

finance to BHP MITSUI

coal Pty Ltd

finance to Survey fourth day of January, 1992

Annexed to the Original Instrument of Lease of Mining Lease Number 4750 for the purpose of recording memorials.

SE ONRIN

Dated at Brisbane this Sixth day of December, 1996.

for Director-General

Pursuant to the provisions of the Mineral Resources Act, 1989 and after consideration of the standard criteria under the Environmental Protection Act, 1994 the Governor in Council on the 19th day of September, 1996 varied the within Lease by granting the additional Surface Area of 4340 ha as shown on plan MP 40216, subject to the conditions applying to all Mining Leases.

for Minister

Pursuant to the provisions of Section 286 of the Mineral Resources Act, 1989 and after consideration of the standard criteria set out under the Environmental Protection Act, 1994 the Governor in Council on the 9th day of March, 2000 renewed the within lease for a term of Twenty-one years, commencing on the First day of August, 1999 subject to the conditions prescribed by the Mineral Resources Act, 1989.

Dated at Brisbane this 10th day of March, 2000.

for Minister

Pursuant to the provisions of the Mineral Resources Act, 1989 and after consideration of the standard criteria under the Environmental Protection Act, 1994 the Governor in Council on the 21st day of September, 2000 varied the within Lease by granting the additional Surface Area No.2 of 682.1 ha as shown on plan MP 37217, subject to the conditions applying to all Mining Leases.

for Minister

Annexed to the Original Instrument of Lease of Mining Lease Number 4750 for the purpose of recording memorials.

Dated at Brisbane this 18th day of June, 2004.

for Director-General

Pursuant to the provisions of Section 237 of the Mineral Resources Act, 1989 the Minister on the 26th day of May, 2004 gave approval to conduct drilling and/or other activities on land not included in the Surface Area of the within Lease, conditional upon compliance with the following conditions:-

- 1. The approval is limited to the location and activities, within Lot 1 on W4011 and Lot 1 on WHS16, as outlined in the "Location and proposed activities" addendum with the application;
- 2. Disturbance in any one location must be limited so as not to exceed 1000 square metres;
- 3. The term of this approval shall be from 26<sup>th</sup> May 2004 to and including 3 st December 2004;
- 4. Notice of Entry Notice must be given to the land owner/s or occupier at least 7 days before intended entry (or shorter period acceptable to the owner and endorsed on the notice). The notice must
  - (a) describe the activities proposed to be carried out on the land under the approval; and
  - (b) state when the activities are to be carried out, and
- The approval is subject to compliance with the Amended Environmental Authority issued on 27<sup>th</sup>
  April 2004.

Dated at Brisbane this 18th day of June, 2004

for Minister

By delegation from the Honourable the Minister, and pursuant to Section 237(5) of the *Mineral Resources Act 1989*, approval to conduct drilling and/or other activities on land not included in the surface area of the within Lease, was given on 29 August 2007 conditional upon compliance with the following conditions:-

### Schedule of Conditions:

- □ The approval is limited to the location and activities within that part of Lot 1 on WHS, Lot 2 on WHS16 and Lot 8 on SP155252 as outlined in the "location and proposed activities" addendum to the application;
- Disturbance in any one location must be limited so as not to exceed 1000 square metres;
- The term of this approval shall be from 29 August 2007 to an including 28 August 2008;
- Notice of Entry- Notice must be given to the land owner/s or occupier at least 5 business days before intended entry (or shorter period acceptable to the owner and endorsed on the notice). The notice must-
  - (a) describe the activities proposed to be carried out on the land under the approval; and
  - (b) state when the activities are to be carried out; and
- The approval is subject to compliance with the current Environmental Authority or if amended, the Amended Environmental Authority or the current Environmental Planning document.

Dated at Emerald the 29th day of August 2007.

for Minister

Annexed to the Original Instrument of Lease of Mining Lease 4750 for the purpose of recording memorials.

EASE ONRIN

Dated at Emerald this 22<sup>nd</sup> day of July 2008.

Mining Registrar

Pursuant to the provisions of the *Mineral Resources Act 1989*, The Governor in Council, on 17 July 2008 varied the within Lease by granting additional Surface Area No 4 containing an area of 1972 ha subject to conditions apply to Mining Leases.

for Minister

Pursuant to the provisions of the Mineral Resources Act 1989, The Governor in Council, on 17 March 2011 varied the within Lease by granting additional Surface Area No 5 containing an area of 9.58 ha subject to conditions apply to Mining Leases.

K M Hudspith Mining Registrar

This is to certify that BHP BILLITON  MITCH LOPL PTY LTD has been corded as the holder of MODO interest the within written lease/claim, the name of the ompany BHP MITSH COAL PTY LTD  MITSH LOAL PTY LTD  vate Recorded: IR FIBRUARY 2012  Mining Registrar  KM HUDSPITH	
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